

DEMOLITION MANAGEMENT & SALVAGE PURCHASE AGREEMENT

The following is a Demolition Management & Salvage Purchase Agreement (“**Agreement**”) by TD Development, LLC (“**Owner**”), and Concepts Industrial Inc. (“**Buyer**”), who are sometimes referred to individually as “**Party**” or collectively as “**Parties**” and whose addresses are written below.

TD Development, LLC.
Attn: Todd Clifford
720 Eagle View CT
Mason, OH 45040

and

Concepts Industrial, Inc.
Attn: Mike Farrell, President
123 Vine St.
Sunman, IN

Effective Date: The Effective Date of this Agreement is the latest date signed on the signature page below.

RECITALS

A. Owner is the current owner of the land (defined below) on which the contemplated structure to be removed is located. Owner has the rights and authority to enter into this Agreement,

B. The Parties have agreed to the removal and sale of certain structures and fixtures personal property or improvements, located on the Land, which Owner desires to have demolished, salvaged and removed from the Land (as more specifically described in **Section 2**, the “**Project**”).

C. Concepts Industrial Inc. desires to manage the Project and purchase salvage including the provision of services required for planning, scheduling, coordinating and administering the Project.

D. Owner desires to Sell salvage rights to Concepts Industrial and engage Concepts Industrial Inc. to manage the Project pursuant to the terms and conditions of this Agreement.

WITNESSETH

That for and in consideration of the covenants herein contained, Owner and Concepts Industrial Inc. agree as follows:

1. **Certain Definitions.** As used in this Agreement, the terms below have the following meanings:

(a) **“Agreement Documents”** means all plans, specifications, schedules, change orders, exhibits and addenda to which the Project is the subject.

(b) **“Hazardous Substance”** means any material, waste, substance, pollutant, or contaminant which may or could pose a risk of injury or threat to health or the environment, including, without limitation: (i) those substances included within the definitions of “hazardous substance”, “hazardous waste”, “hazardous material”, “toxic substance”, “solid waste”, or “pollutant or contaminant” in, or otherwise regulated by any Environmental Law.

(d) **“Land”** means that certain real property located at **68 Church Street Canajoharie New York, 13317.**

(e) **“Project Schedule”** means the projected schedule describing the order and timing for completion of the Project.

(f) **“Salvage”** means:

(g) all buildings, structures, fixtures and other improvements above any concrete foundations on the Land, and any other materials whatsoever located above grade level on the Land East of the Canajoharie Creek including all bridges. Salvage on the West side of the creek is limited to copper and stainless steel material.

2. **The Project.** The Project consists of the demolishing and salvaging the Salvage located on the Land which includes all labor, equipment, materials, technology, utilities, mobilization, (unless otherwise provided), licenses, loading, unloading, storage, construction, and demolition equipment and machinery, water, heat and services required for, or incidental to demolishing, dismantling, shipping, transporting, removing, sorting, salvaging, stockpiling, disposing, cleanup, abatement and disposal (if applicable) all in accordance with the Agreement Documents and as more particularly described in **Exhibit A** to this Agreement (**“Project”**).

3. **Structures to Demolish:** Parties agree that all buildings, bridges, and free standing structures East of the Canajoharie Creek will be demolished pursuant to this agreement.

4. **Concepts Industrial Inc.’s Services.** In connection with the Project, Concepts Industrial Inc. shall provide demolition services which includes the services more particularly described on **Exhibit A** to this Agreement (collectively, the **“Services”**). Concepts Industrial Inc. will also purchase the salvage rights.

5. **Owner’s Obligations.** In connection with the Project contemplated herein, Owner shall provide those services and items set forth in this Section 5:

a. Obtain all applicable federal, state and local approvals, consents, permits, licenses, authorizations, inspections and orders required to enable Concepts Industrial Inc. to perform the Project contemplated herein.

- b. Provide third party consultant surveys relating to asbestos.
- c. Manage the abatement process.
- d. Provide Concepts Industrial Inc. and its subcontractors and agents access to the Land.

6. **TD Development LLC.'s Compensation.** In exchange for the Salvage Rights, TD Development, LLC. shall receive \$400,000.00 plus Abatement cost associated with area to be demolished (estimated at \$85,000). To be paid as \$75,000.00 upon execution of contract, \$125,000.00 at on site mobilization of removal and balance paid at the rate of 50% from the sale of all ferrous metals, non-ferrous metals and any other salvageable material located on the Property. Said Compensation shall be verified by weigh tickets and/or receipts.

7. **Liens.** Concepts Industrial Inc. shall keep the Land free from mechanics and materialmen liens relating to the Project. In the event that Concepts Industrial Inc. receives any notice, preliminary or otherwise, of a claim for a lien against any portion of the Land, Concepts Industrial Inc. shall provide written notice to Owner not more than five (5) calendar days after receipt of same.

8. **Environment, Safety and Health.** Concepts Industrial Inc. and its subcontractors shall perform work on the Project in compliance with this Agreement, and all applicable federal, state and local codes, ordinances, statutes, rules and regulations, including Environmental Laws.

9. **Insurance.** Concepts Industrial Inc. and each of its subcontractors shall obtain at their sole cost, and maintain in full force and effect during the Term of this Agreement, the following insurance coverages, containing coverages, limits, terms and conditions acceptable to Owner and, as applicable, naming Owner and others requested by Owner as additional insureds: (a) Worker's compensation insurance in an amount required by statute; (b) employer's liability insurance; (c) commercial general liability insurance; (d) automobile liability insurance for owned, non-owned or hired vehicles; and (e) contractors' pollution liability or an equivalent named policy covering claims-made liability, completed operations exposures, third-party liability damages, property damage, legal defense costs, including attorney fees, expert witness fees, punitive damages, and court costs. Upon execution of this Agreement, Concepts Industrial Inc. shall provide to Owner certificates of coverage evidencing liability insurance in the amount of Two Million Dollars (\$2,000,000.00).

10. **Binding Effect.** The provisions of this Agreement are binding upon and shall inure to the benefit of the Parties and their respective successors and assigns.

11. **Relationship of Parties.** The relationship between Concepts Industrial Inc. and Owner is that of an independent contractor, and nothing in this Agreement shall be construed or deemed as creating any other relationship. Without limiting the foregoing, the relationship between Concepts Industrial Inc. and Owner shall not be deemed to be that of a joint venture or partnership. Nothing in this Agreement shall give either Party the right to represent the other Party legally or to undertake any obligation in the other Party's name or for the other Party, and

each Party shall always act in its own name and for its own account. Each Party's obligations hereunder shall be limited to that Party and shall not extend to any third party.

TD Development, LLC.

By: _____
Todd Clifford, President

Date: _____

Concepts Industrial Inc.

By: _____
Mike Farrell

Date: _____

EXHIBIT A

PROJECT DESCRIPTION

- A. Summary. Concepts Industrial Inc. will provide the demolition services for the Project which shall include:
1. Demolition and removal of all identified buildings, excluding the concrete foundations.
 2. Demolition and removal of all identified structures, excluding the concrete foundations.
 3. Demolition and removal of all identified site improvements, excluding the concrete foundations, parking lots or concrete-surfaced loading areas.
 4. Capping of site utilities to the building(s) being demolished
 5. All Salvage shall be removed, recycled, or disposed of on the Land.
- B. Pre-demolition requirements. Prior to commencement of demolition:
1. Where required, shut-off, disconnect, cap-off and seal all plumbing, mechanical, and electrical services, in accordance with the requirements of the authorities having jurisdiction if applicable.
 2. Survey existing conditions and correlate with requirements indicated to determine extent of demolition and recycling required.
 3. Survey the condition of all buildings to determine whether removing any element might result in a structural deficiency or unplanned collapse of any portion of the structure or adjacent structures during demolition.
- C. Requirements during demolition:
1. Demolish buildings completely down to their concrete foundations, using methods required to complete the Project within limitations of governing regulations.
 2. Conduct demolition operations and remove materials to ensure minimum interference with roads, streets, walks, and other adjacent occupied and utilized facilities.
 3. Not close or obstruct streets, walks, or other adjacent occupied or utilized facilities without permission from authorities having jurisdiction.

4. Conduct demolition operations to prevent injury to people and damage to adjacent buildings and facilities to remain.
5. Ensure safe passage of people around demolition area through such measures as erecting temporary protection, such as walks, fences, railings, canopies, and covered passageways, where required by authorities having jurisdiction.
6. Comply with hauling and disposal regulations of authorities having jurisdiction.
7. Use only a permitted waste hauler. To confirm valid permitted status of waste haulers, contact the state or local waste management agency.
8. Comply with federal, state and local regulations pertaining to water, air, solid waste, recycling, chemical waste, sanitary waste, sediment and noise pollution.
9. Upon completion of the Project, remove indications of temporary construction facilities, such as haul roads, work areas, structures, stockpiles or waste areas. areas and to the extent possible and reasonable, cause the area where non-hazardous materials are buried to be leveled to/with the surrounding land or concrete.
10. Comply with applicable regulations concerning the direct or indirect discharge of pollutants to underground and natural surface waters.
11. Prevent oily or other Hazardous Substance from entering the ground, drainage areas, or local bodies of water in violation of Environmental Law.
12. Where necessary, prevent creation of dust, air pollution and odors by use of temporary enclosures and other appropriate methods to limit dust and dirt rising and scattering in air to lowest practical level.
13. Store volatile liquids, including fuels and solvents, in closed containers.
14. Perform demolition operations to minimize noise to comply with local ordinances.